

## **FISCAL NOTE**

### **SB 3478 - HB 3429**

February 13, 2008

**SUMMARY OF BILL:** Requires the Tennessee Higher Education Commission (THEC) to promulgate rules to increase the fee structure for the operation of proprietary schools in Tennessee; earmarks the revenue generated from such increased fees to increase the number of proprietary school regulation staff at THEC.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – Exceeds \$100,000/Earmarked to THEC**  
**Increase State Expenditures – Not Significant**

#### Assumptions:

- Tenn. Code Ann. §49-7-2014 authorizes THEC to set fees annually to collect revenues sufficient to cover the costs of this regulatory function.
- Fees to be collected by THEC will be accordance with the fee schedule set out in the administrative rules for postsecondary school authorization.
- Under the current fee collection schedule, an amount of \$504,390 is collected from proprietary schools.
- Since the amount of increase of such fees is unknown, the increase in revenue cannot be determined but can be estimated to exceed \$100,000.
- Under the bill, the revenue generated from such increase in fees will be earmarked for use by THEC to increase the number of proprietary school regulation staff.
- Any cost to THEC for the promulgation of rules can be accommodated within existing resources without an increased appropriation or reduced reversion.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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